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What's Behind A Budget? An Analysis of Municipal Use of ARPA

Tom Vodrey, 2025

Denison University

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## Abstract

Through an analysis of the American Rescue Plan Act and its State and Local Fiscal Recovery Funds, I explore the relationship between local partisanship and the targeted use of those recovery funds. The exploration is conducted using a statistical model that includes the political, economic, and demographic data of the largest cities in Ohio and Michigan. The results of the investigation suggest that poverty, partisanship, and, most of all, population are the primary determinants of how much a locality funds welfare programs. Further research is needed to determine the implications of this model on the relationship between municipal capacity on the size of local welfare systems.

## Introduction

Passed less than a year after the declaration of the COVID-19 public health emergency, the American Rescue Plan Act of 2021 (ARPA) constituted \$1.9 trillion in economic stimulus to recover from the effects of the pandemic. In a temporary expansion of the American welfare state, direct checks were sent to taxpayers, unemployment insurance was expanded, schools received new funding, provisions of the Affordable Care Act were strengthened, the annual Child Tax Credit was increased, and funding was made available to be used at the discretion of state and local governments.<sup>1</sup> This final initiative consisted of \$350 billion dedicated to a program known as the State and Local Fiscal Recovery Funds program (SLFRF). States and localities were granted these funds to respond to the pandemic's negative health and economic impacts, supplement the salaries of essential workers, address budget shortfalls in the provision of

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<sup>1</sup> Giovanni Russonello, "What Does \$1.9 Trillion Buy?" *The New York Times*, March 10, 2021. <https://www.nytimes.com/2021/03/10/us/politics/whats-in-covid-bill.html>.

government services, and invest in water, sewer, and broadband improvements.<sup>2</sup> With this relief from the budget constraints of their typical finances, localities were given the opportunity to imagine what local government should be. As the president who signed ARPA into law often remarks, “Don’t tell me what you value. Show me your budget, and I’ll tell you what you value.”<sup>3</sup> Now that SLFRF proposals are being finalized as the program’s eligibility window closes, the opportunity has presented itself to sift through their proposed budgets to determine what communities prioritized in the recovery from the depths of the pandemic.

While ARPA and its SLFRF program only constituted a temporary expansion of the United States’ welfare state, their implementation reveals fundamental truths about that system. The diffused nature of the American welfare state is a feature which sets it apart from other comparable countries in the OECD. While most social safety net programs are nationally administered as a right to the poor in most industrialized democracies, in the United States the safety net is a patchwork.<sup>4</sup> Despite expansions of the federal welfare state making up much of its spending, ARPA did not fundamentally change the character of the American welfare state. Through the devolved administration of many of ARPA’s provisions by lower levels of government, and particularly SLFRF, issues such as poverty remained within the domain of individual states and cities.

ARPA provides an opportunity to evaluate the weight of a community's partisanship and other characteristics on its priorities for welfare. Distributing resources to over 26,570 governments for more than 104,899 projects, the SLFRF program gave cities throughout the

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<sup>2</sup> U.S. Department of the Treasury, “Coronavirus State and Local Fiscal Recovery Funds,” *Federal Register* 87, no. 18 (2022): 4338-4339. <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

<sup>3</sup> White House, *Remarks by President Biden Announcing the Fiscal Year 2023 Budget*, March 28, 2022. <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/03/28/remarks-by-president-biden-announcing-the-fiscal-year-2023-budget/>.

<sup>4</sup> Ezra Rosser, Introduction to *Holes in the Safety Net: Federalism and Poverty*, ed. Ezra Rosser (Cambridge, UK: Cambridge University Press, 2019), 4-5.

United States an opportunity they utilized in different ways.<sup>5</sup> As municipal leaders contemplated what they hoped to achieve in recovering from the pandemic, what role did ideology play in weighing their priorities? To what extent did the goals and use of SLFRF funds vary between local governments on the basis of partisanship?

By conducting an analysis of political, economic, and demographic data, I suggest that local politics, while important, are overshadowed by the capacity of municipal governments in determining how allocations are made towards welfare programs. Using data from the Census Bureau, Department of the Treasury, and the 15 largest cities in each of the states of Ohio and Michigan, I develop a model taking into consideration poverty, partisanship, and population to show how these different factors affect allocations towards community priorities through proposed SLFRF budgets. By investigating the ways in which SLFRF aid was used by these cities, insight can be gained into the ways in which local politics affect the policies used to address poverty in a community.

### **Literature Review**

Although the American Rescue Plan Act and its State and Local Fiscal Recovery Fund have not yet spawned a body of scholarly literature, both can be understood as a step in the development of the American welfare state. ARPA and the questions it raises about the role of local governments in providing for the general welfare in a federal system touch on many themes which have inspired the past work of political scientists. In particular, the dispersed nature of the SLFRF program raises questions about the weight federalism places on where a person lives in the provision of relief.

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<sup>5</sup> Pandemic Response Accountability Committee, "State and Local Fiscal Recovery Fund." Accessed May 21, 2024. <https://www.pandemicoversight.gov/data-interactive-tools/interactive-dashboards/state-and-local-fiscal-recovery-fund>.

Municipal governments have long held an allure as a basic unit of democracy in America's federal system. As early as *Democracy in America*, Tocqueville railed against the "[p]artisans of centralization in Europe [who] contend that [national] governmental power administers localities better than they could administer themselves," instead arguing that in America "the people are enlightened, alert to their own interests, and accustomed to thinking about them."<sup>6</sup> This belief in the importance of keeping government close to the people has been a throughline of American political development. Despite steps towards greater federal involvement in the provision of welfare during the New Deal in response to the Great Depression,<sup>7</sup> and the Great Society in response to entrenched poverty and racism,<sup>8</sup> the United States remains a nation decentralized when it comes to welfare. Even meager steps towards centralization largely came undone from the 1970s through to the 1990s, as postwar liberalism began to be cast in the same light as Tocqueville's European partisans. Today's welfare state is in large part the result of conservative backlash to the era of "big government" which enacted policies aimed at restructuring and devolving welfare programs to state and local governments.<sup>9</sup> Liberals for their part have placed value on decentralization as a means of providing better government. In "Federalism All the Way Down," Heather Gerken praises "local institutions as sites for minority rule [...] small enough to benefit two groups that are generally too small to control at the state level: racial minorities and dissenters."<sup>10</sup> The result of this emphasis on

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<sup>6</sup> Alexis de Tocqueville, *Democracy in America*, tran. Arthur Goldhammer (New York: Library of America, 2004), 123

<sup>7</sup> Frances Fox Piven and Richard A. Cloward, *Regulating the Poor: The Functions of Public Welfare* (New York: Pantheon Books, 1971), 74.

<sup>8</sup> Alice O'Connor, "Swimming against the Tide: A Brief History of Federal Policy in Poor Communities," in *Urban Problems and Community Development*, ed. Ronald F. Ferguson and William T. Dickens (Washington, DC: Brookings Institution Press, 1999), 99-101.

<sup>9</sup> Alex Wadden, *The Politics of Social Welfare: The Collapse of the Centre and the Rise of the Right* (Cheltenham, UK: Edward Elgar, 1997), 44.

<sup>10</sup> Heather K. Gerken, "Foreword: Federalism All the Way Down," *Harvard Law Review* 124, no. 1 (2010): 47.

decentralization is a welfare state made up of a patchwork of different programs administered in varying ways by different governments.

Although the \$350 billion provided through ARPA's State and Local Fiscal Recovery Fund was unprecedented for local governments,<sup>11</sup> the program's structure is in line with this historical devolution of federal responsibility in cities. Direct parallels can be drawn between the SLFRF program and the Community Development Block Grant, as both provide a similar freedom to municipalities to dictate the use of federal funds in their jurisdictions. The literature on the Block Grant has shown the ways that local politics subvert what is ostensibly a program run in the national interest. In their investigation, Kenneth K. Wong and Paul E. Peterson found that influential local economic interests often directed the funds towards economic development projects which benefited themselves at the expense of the program's redistributive intention.<sup>12</sup> In allowing leeway for localities in their use of federal funds, past federal funding for municipalities have invited the intervention of local political circumstances.

By leaving implementation up to lower levels of government, decentralization measures often invite concerns that federalism inspires inequality based on where one lives. In *Dividing Citizens*, Suzanne Mettler finds through her historical analysis that the New Deal led to an entrenchment of preexisting societal prejudices through its delegation of responsibilities for the welfare of women to state and local governments.<sup>13</sup> According to Mettler's argument, differences in the provision of welfare between jurisdictions effectively create different levels of citizenship based on where a person resides.<sup>14</sup> Michele Gilman explores a modern example of this by

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<sup>11</sup> Deborah B. Solomon, "Millions in Stimulus Aid, and Clashing Over How to Spend It," *The New York Times*, March 11, 2022. <https://nytimes.com/2022/03/11/us/covid-stimulus-money-fight.html>.

<sup>12</sup> Kenneth K. Wong and Paul E. Peterson, "Urban Response to Federal Program Flexibility: Politics of Community Development Block Grant," *Urban Affairs Quarterly* 21, no. 3 (1986): 307.

<sup>13</sup> Suzanne Mettler, *Dividing Citizens: Gender and Federalism in New Deal Public Policy* (Ithaca, NY: Cornell University Press), 15.

<sup>14</sup> Mettler, *Dividing Citizens*, 21.

evaluating the effect of partisanship on welfare criteria in different states, finding that due to the adoption of work requirements and family caps in more conservative states, “[t]he red state/blue state divide is a real one for poor Americans.”<sup>15</sup> Indeed, the ideology and culture of a poor person’s jurisdiction appears to play a large role in what assistance they’re able to receive.

The greatest assumption of the devolved welfare state is that the capacity exists for state and local governments to administer programs for the general welfare. While the closeness of these lower levels of government to the people they represent has been studied by scholars such as Gerken, Freeman, and Rogers, the ability of these governments to effectively represent the needs and wants of these constituents has not been evaluated as closely. Without the usual budget constraints which restrain municipalities, ARPA’s assistance to cities provides a unique opportunity to investigate the role of factors like partisan politics on local policy.

### **Methods and Data**

To better understand the factors which influence the allocation of municipal funds towards welfare programs, I assembled a dataset from a variety of sources on the economic, demographic, and political character of the 30 largest cities in Ohio and Michigan. This method draws upon previous work into the functioning of local governments. In their analysis of municipal budgets in the leadup and aftermath of the Great Recession, Justin Ross, Wenli Yan, and Craig Johnson drew upon the budgets and demographics of the 35 most populous cities in the nation.<sup>16</sup> Similarly, in Sarah F. Anzia and Jessica Trounstine’s investigation of the

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<sup>15</sup> Michele Gilman, “The Difference in Being Poor in Red States versus Blue States,” in *Holes in the Safety Net: Federalism and Poverty*, ed. Ezra Rosser (Cambridge, UK: Cambridge University Press, 2019), 88.

<sup>16</sup> Justin Ross, Wenli Yan, and Craig Johnson, “The Public Financing of America’s Largest Cities: A Study of City Financial Records in the Wake of the Great Recession,” *Journal of Regional Science* 55, no. 1 (2015): 119-120.



development of municipal civil service reform, the authors construct a dataset of every American city with a population of more than 10,000.<sup>17</sup>

Due to the preliminary nature of the investigation, a smaller number of observations with a regional focus for the dataset was used. While these previous studies focused nationally, this analysis focuses on Ohio and Michigan to capture a wider variation in demographics and partisanship. If a smaller sample size has to be used due to time constraints, choosing the largest cities in the nation would leave little room for comparison as America's largest cities are very similar in terms of demographics and politics. By looking in depth in only two states, the dataset is populated with cities of varying degrees of wealth, population size, ethnic and racial diversity, and political identity. These 30 cities studied represent 23.4% and 21.2% of the populations of Ohio and Michigan, respectively. Within the sample are booming metropolises and urban decay, quiet suburbs and bustling college towns, and diversity in terms of economics, demographics, and politics.

### ***Dependent Variable: What's in a Budget?***

To measure a community's prioritization of welfare, the proposed SLFRF budget of every city under consideration was combed through. Budgetary data for these communities was obtained from the Pandemic Response Accountability Committee, a federal agency which maintains a dashboard detailing every recipient of SLFRF funding. Included among this data are details on each individual project and expenditure funded through the program. For the purposes of this analysis, each expenditure was categorized, and the percentage of expenditures related to welfare were taken for each municipality.

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<sup>17</sup> Sarah F. Anzia and Jessica Trounstine, "Civil Service Adoption in America: The Political Influence of City Employees," *American Political Science Review* (2024): 5-6.

In order to carry out this categorization, a clear definition for “welfare” had to be determined. Much of the literature avoids explicit definitions for welfare, instead relying upon an intuitive understanding which encompasses a variety of different aspects and methods of welfare. Even the term “welfare” isn’t constant across sources, with some using “public assistance,” “relief-giving,” or “social service provision” as substitutes. Where academic sources came short, the federal government proved to be more specific. The most universal definition is provided by the Census Bureau, which defines public assistance as “programs that provide either cash assistance or in-kind benefits to individuals and families from any governmental entity.”<sup>18</sup> For the purposes of categorizing SLFRF proposals for this exploration, this Census Bureau definition was used. Among the examples of programs identified by the Census as public assistance are Temporary Assistance for Needy Families and SNAP, as well as social insurance programs including Social Security and unemployment insurance. These examples and the literature imply that welfare exists for the benefit of those in need, which was taken into consideration when expenditures were categorized. While this definition still leaves room for interpretation, it provides a clear guideline in this case of welfare as direct or indirect assistance for the needy from a local government.

### ***Independent Variables: What Makes a City?***

For the purpose of this analysis, data to capture the economic, demographic, and political character of the 30 most populous cities in the states of Ohio and Michigan was collected. This data was used to capture different variables which could reasonably impact the amount a city would need to spend on welfare programs. These were determined both by academic interest, and an analysis of the literature and previous research on the subject.

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<sup>18</sup> U.S. Census Bureau, “About Program Income and Public Assistance,” last modified May 12, 2023. <https://www.census.gov/topics/income-poverty/public-assistance/about.html>.

To capture the partisanship of each of these cities, the Cook Partisan Voting Index (PVI) was used. The PVI compares the composite vote margin for the Democratic presidential candidate in the 2016 and 2020 presidential elections within a city to that candidate's margin nationally. As such, a positive number will indicate a city which votes more liberally than the country as a whole, while a negative number will indicate a city which votes more conservatively than the country as a whole. Data for each of the studied cities was collected from Dave's Redistricting App, which uses precinct-level election data compiled by the Voting and Elections Science Team's US Elections Project.

Control variables were obtained on the demographic and economic character of each of the cities studied. The results of the 2020 United States census were used to provide figures on the population of cities. In addition to the raw number of residents in a city, data was taken on the percentage of the population identified as Black, Hispanic, or White. The Census Bureau's 2022 American Community Survey 1-year estimates were used to provide figures on the poverty rate, median household income, employment rate, bachelor degree attainment rate, and the percentage of residents of the age of 65 or older in the studied cities. All demographic and economic statistics were compared to national rates for the purpose of the analysis, with a positive number indicating that a community has a greater percentage than the country and a negative number indicating that a community has a smaller percentage than the country as a whole.

A textual analysis of the city charter or other relevant governing document for each of the cities was also carried out. This was done to determine if each city had a strong or weak mayor, or a city manager in charge of the administration of the city. The strength of the mayor was determined based on if the mayor's office is independent of the municipality's city council, with

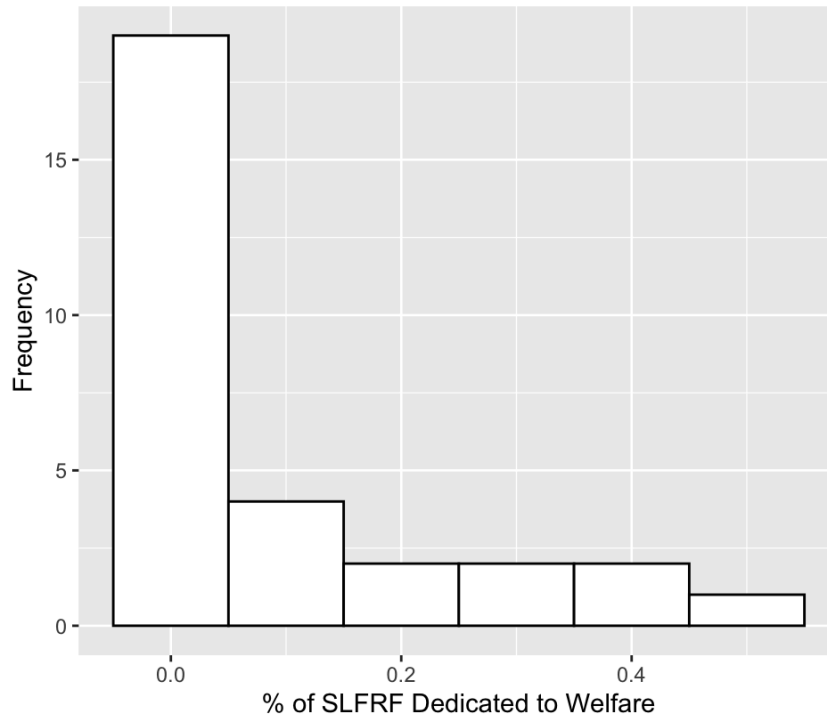
1 indicating a strong mayor whose executive power is independent of the legislature, and 0 indicating a weak, largely ceremonial mayor. The presence of a city manager was also taken into account, with a 1 indicating that the locality has an appointed city manager who oversees the administration of the city and a 0 indicating that this power is given to the mayor or other elected official.

To analyze the data, several ordinary least squares (OLS) regression models were developed using different variables of interest. Using RStudio, the effects of different variables on welfare allocation were tested through analysis of residuals, coefficients, adjusted  $R^2$  values, and p-values. The model chosen as the most appropriate, due to its relation to the initial research question and its high statistical significance, compares the percentage of ARPA funds dedicated to welfare expenditures to a city's poverty rate, partisanship, and population.

## **Results**

In Figure 1 we begin by displaying the localities based on their prioritization of welfare within their proposed SLFRF budgets. As can be seen in the figure, the vast majority of localities included in this analysis allocated none or less than 10% of their proposed budgets on welfare programs. While there are a number of cities which buck this trend, most remain clustered on the lower end of the axis. Indeed, 11 of the 30 cities included in this analysis did not allocate any of their budget for the purpose of welfare. Of those which did spend their ARPA funds on welfare, 8 spent more than 10%, 5 spent more than 25%, and only a single city, Columbus, OH, spent more than half.

**FIGURE 1. Distribution of Welfare Budget Allocations**



	(1)	(2)	(3)
PVI	6.657 * 10 <sup>-7</sup> (2.19 * 10 <sup>-3</sup> )	1.218 * 10 <sup>-3</sup> (2.270 * 10 <sup>-3</sup> )	5.662 * 10 <sup>-4</sup> (2.210 * 10 <sup>-3</sup> )
Relative Poverty %	3.864 * 10 <sup>-1</sup> (3.057 * 10 <sup>-1</sup> )	5.710 * 10 <sup>-1</sup> (3.617 * 10 <sup>-1</sup> )	4.799 * 10 <sup>-1</sup> (3.277 * 10 <sup>-1</sup> )
Relative Black %		-1.927 * 10 <sup>-1</sup> (2.009 * 10 <sup>-1</sup> )	
Population	4.747 * 10 <sup>-7</sup> *** (1.181 * 10 <sup>-7</sup> )	5.238 * 10 <sup>-7</sup> *** (2.009 * 10 <sup>-1</sup> )	4.925 * 10 <sup>-7</sup> *** (1.208 * 10 <sup>-7</sup> )
City Manager			3.694 * 10 <sup>-2</sup> (4.471 * 10 <sup>-2</sup> )
R-Squared	0.5183	0.5168	0.5123
Observations	30	30	30

*Notes:* OLS estimates with standard errors in parenthesis.  
\*p < 0.10, \*\*p < 0.05, \*\*\*p < 0.01.

The analysis continues with the use of an OLS model to regress PVI, controlling for demographic variables relating to the population of a city and structural variables relating to the governance of a city. The results, seen in Table 1, indicate that a higher poverty rate, more liberal voting patterns, and a higher population correlate with a higher percentage of ARPA funds being dedicated to welfare programs by municipalities.

As can be seen in column 1, the model considering PVI, relative poverty, and population returned an adjusted  $R^2$  value of 0.5183 and a p-value of  $5.893 * 10^{-5}$ . The  $R^2$  value indicates that this model explains roughly 52% of the variance in the data. The p-value indicates that the relationship is statistically significant, with only a 0.005% chance of the null hypothesis being true. Each of the indicators in the model had a positive correlation with welfare spending, meaning that as each increased so did the proportion of the city's ARPA budget dedicated to welfare programs. The variable most responsible for this significance was population, with a less than 1% likelihood that its correlation can be explained through chance.

In column 2, the model considers the relative Black population of a city in addition to the indicators used in the first model. This model serves to test the effect of a city's racial or ethnic demographics in their prioritization of welfare. Given that ARPA was passed with the 2020 George Floyd racial justice protests in recent memory, it could be thought that a city might prioritize welfare as a means of avoiding future unrest as Piven and Cloward posited.<sup>19</sup> Simultaneously, the entrenched poverty of many Black communities might also serve to raise the need for welfare programs, while the liberalism of African-Americans as a voting bloc may make it more politically feasible for welfare programs to be enacted in a Blacker city.<sup>20</sup> However, when factoring the proportion of a city's population identified as Black compared to national

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<sup>19</sup> Piven and Cloward, *Regulating the Poor*, 242-243.

<sup>20</sup> Piven and Cloward, *Regulating the Poor*, 251-252.

demographics, the adjusted  $R^2$  falls slightly to 0.5168 and the p-value rises to 0.0001462. This would suggest that the racial and ethnic demographics of a city did not have a significant impact on a city's use of SLFRF funds for welfare.

In column 3, the model considers the presence of a city manager in a locality's government in addition to the indicators used in the first model. Given that writing SLFRF proposals is a largely administrative task, it could be thought that a city administered by a manager-council form of government would yield different policy outcomes than those with a strong mayor.<sup>21</sup> A similar dimming effect results from factoring in whether a city's government includes a city manager in charge of the municipality's administration, which lowers the adjusted  $R^2$  to 0.5123 and brings the p-value to 0.000163. As a result, it appears that welfare allocation was not substantially affected by a city's form of government.

It should be noted that while demographic and structural variables had little effect on the original model, they did weaken the correlation when taken into account. While relative Black population and the presence of a city manager are used to illustrate this effect, similar results were returned for other variables capturing the demographic and structural character of a city. The inclusion of these variables still leave a significant correlation and explain much of the variance, what relationship is left is weakened. This would seem to suggest that the simplest model, considering PVI, relative Black population, and relative poverty, is the most promising.

### **Discussion**

In evaluating the impact of partisanship on the prioritization of welfare, this research has found that political identification is only a single factor to be considered. While it is true that the political character of a municipality, as represented by its voting patterns, plays some role in the

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<sup>21</sup> Yahong Zhang and Richard C. Feiock, "City Managers' Policy Leadership in Council-Manager Cities," *Journal of Public Administration Research and Theory* 20, no. 2 (2009): 472.

allocation of budgets towards welfare, there are other factors at play. The poverty rate, reflecting the need for welfare programs, has some role to play too. But above them all, the most significant factor was the population of the municipality, which proved to have a great significance in determining what municipalities allocate towards welfare.

The significance and weight of population in the model could be interpreted to indicate the importance of municipal capacity in the American welfare system. Through federalism, responsibility is delegated to units without the capacity to administer programs. As shown by the model, while the need for poverty relief or the political identity of the population have their influence, when it comes to deciding how a city's resources should be used, both are far outweighed by population. Even with the influx of monetary aid from the federal government through the SLFRF program, the pandemic and the recovery effort did not change the underlying reality of how the American city is structured and how its capabilities are influenced by this structure.

This argument is strengthened when considering the lack of relevance different forms of municipal government had on welfare allocation. Perhaps it might be expected that an administration run by a professional city manager might have more imagination or drive to use SLFRF funds for creative uses, the data does not show this to be the case. A city manager may be ostensibly free to administer in the interest of their city, but they remain constrained by their circumstances. While there may be arguments to be made about the merits of different forms of municipal government, the model indicates that the policy outcomes of a government led by a city manager versus a strong mayor might not be too different.

What determines what a city will do is what that city *can* do. Despite the many economic, demographic, and political characteristics evaluated in this study, none ever overcame



population. The most straightforward answer for why is that population could be the driver of a locality's capacity to provide. No matter how liberal a city is, campaign pledges only mean so much when there isn't the administrative structure to enact them. No matter how large a city's poor population is, aid will not arrive for them if the tax base doesn't exist to fund it. This is what the model indicates, and forms an area which warrants further study and analysis.

### **Conclusion**

While this research only represents a preliminary exploration of the factors which affect the prioritization of welfare in a city, it does provide a path forward for future research. The role of municipal governments in addressing poverty and societal inequities is appreciated, but not fully realized. While the federal government and the states have the resources to provide for the welfare of their citizens, cities do not have that same opportunity. The communities which make up the United States are relegated to simple administrative units with neither the autonomy or capacity to innovate new means of governance, to provide for their citizens, or to lead in their own right. The result is that the potential of cities to play a fully fledged role in the federal system is left undeveloped.

This research points to a promising area for further study. As the pandemic recovery fades from the headlines and enters the history books, there will come the opportunity to look for the truths revealed in that crisis. Through a look at just one aspect of the recovery, I've found the start of new insights into the role of local governments in the federal system. The role of poverty, partisanship, and population in the politics and possibilities of local government is worthy of further examination. In particular, municipal capacity warrants research and investigation to add to a body of literature which focuses more often on ideals than practical reality.

This study was limited by the circumstances in which it was conducted. Carried out as part of Denison University's summer scholars program, the research had to be contained within five weeks of work. This allowed for a great deal of concentration on the subject matter, albeit for an amount of time which made its limitations clear by the end of the research. Many of the choices made in the design of this study were practical responses to the time constraints of the program. Further research could benefit from the development of expertise and room for experimentation which a longer period of time would allow for.

The most straightforward improvement to be made to this study is to expand the scope of the analysis by adding more observations. While the 30 cities which received attention in this analysis point in a promising direction, the United States is far bigger than Ohio and Michigan. Whether the findings hold in the other 48 states can only be found through adding to the dataset. Following the example of Anzia and Trounstine by adding every American city over the size of 10,000 to the dataset would no doubt make the results more compelling. Even a narrower addition to the dataset of only the cities of other Midwestern states would bring valuable new information into consideration. Each new city brings its own unique set of circumstances which may challenge or support previous findings, only making the study stronger. Using 10,000 residents as the cutoff, an expanded dataset in just Ohio and Michigan would add another 350 cities to the analysis.

While the model minimized the importance of partisanship, I still see room for further exploration. If the political dimension is to be investigated further, investigating the effect of a state's political environment on cities could prove worthwhile. While Ohio and Michigan provide political contrasts, observations from other states with their varying political leanings would likely only heighten these contrasts. If state-level politics affect the priorities of a city, it

would be worth comparing the cities of deep blue Illinois to those in ruby red Indiana. Perhaps political dysfunction in state government has an effect on the priority of cities, for that it might be worth investigating a state like Wisconsin with its divided and highly contentious state government.

Expanding the scope could also entail capturing other variables which may impact the allocation of budgets towards welfare programs. Looking at a city's tax base and revenue could be a worthwhile factor to consider. This would be especially useful if further study was done on the issue of municipal capacity. Similarly, attempting to capture the "size" of a municipal government through its number of employees or the size of its regular budget could provide further insight into the capability of a municipal government to provide for the general welfare. Alternatively, it may be useful to consider different means of capturing the variables evaluated in this study. Issues like poverty manifest themselves in many ways, which can be captured through top down statistics like the Census Bureau's poverty rate used in this study, but also through subtler measures like enrollment rates in programs like SNAP or Free and Reduced Price School Meals. Other uses of the SLFRF program could be investigated as well. Welfare is an important function of local government, but it is not the only one. If municipal capacity is to be looked at further, capturing the "inventiveness" of local governments in their proposals could prove valuable.

Repeating this study following the closing of SLFRF proposals at the end of 2024 would also make the results stronger. While the program is essentially over due to most municipalities having finalized their budgets, at the time of this study municipalities still have several months to submit further proposals or revise those which have already been submitted. The regrettable result is that the results of this study could theoretically be different had the analysis been done

later. While the circumstances of this research made it difficult to avoid this constraint, future research could eliminate this uncertainty by only evaluating finalized budgets.

Even with these limitations in mind, the key takeaway from this study is that population is likely significantly important to budget allocations for welfare. Going forward, there are many promising areas for future study. Researchers interested in this subject matter should further explore the role of municipal capacity in shaping the policy making of localities. The tens of thousands of local governments which make up the American federal system are often underappreciated in their role in policy implementation. Further research into their ability to serve their residents would provide a fuller picture of the American policy making process.

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